

EDISON BROTHERS STORES INC.

St. Louis, Missouri

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1966 ANNUAL REPORT 44th Year



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Highlights of the Year

	1966	1965
Net sales	\$174,997,474	\$162,752,248
Net income from operations	7,498,358	6,545,894
Total cash dividends	2,738,868	2,445,184
	<i>Per Share</i>	
Total taxes	\$3.57	\$ 3.03
Net income from operations	3.56	3.08
Common stock dividends	1.25	1.10
Common stock equity	23.96	21.64
Working capital	\$57,284,103	\$ 55,036,514
Long term loans	18,450,000	19,920,000
Preferred stock	3,174,200	3,942,700
Common stock equity	49,498,917	44,815,178
Common shares outstanding	2,065,594	2,071,344
Number of stockholders	4,000	4,025
Number of employees (seasonal average)	8,400	7,900



Edison Brothers Stores, Inc.

Operates

543 Chandler's, Baker's, Leed's and Burt's
Women's Shoe Stores and Leased Shoe Departments
and 18 Joan Bari Bag & Gem Shops
throughout the nation.

ANNUAL MEETING of stockholders will be held in the offices of the Company at 400 Washington Avenue, St. Louis, Missouri, on April 24, 1967. A notice of the meeting with a proxy statement will be mailed to holders of common stock on or about April 7, 1967 at which time proxies will be requested by the management.

SIMON EDISON
Chairman



IRVING EDISON
President



To the Stockholders:

We are pleased to report that 1966 was the fifth consecutive year of increased earnings for your Company, with both sales and earnings reaching all-time record levels. Our financial condition, product acceptance, quality of organization, store locations, and prospects for the future are the strongest in the Company's 44-year history.

Net sales for 1966 increased 7.5 per cent over a year ago, and net income advanced 14.5 per cent. Earnings per share of common stock were increased 48 cents to \$3.56 a share.

Effective with the second quarter of 1966, your Board of Directors increased the common stock dividend to an annual rate of \$1.30 per share as compared with the prior rate of \$1.10. Effective with the first quarter of 1967 the Board further increased the annual dividend rate to \$1.40 per share.

At year end, we were operating 543 women's shoe stores and leased departments, a net increase of 28 over 1965. The average sales volume per unit advanced to \$334,000, as compared with \$320,000 in 1965. This average continues to be the largest of any nation-wide shoe chain in America.



The Accessory Division now includes 18 separate Joan Bari Bag and Gem Shops. Children's shoes are being sold in 65 of our suburban stores and departments. These operations make important contributions to sales volume and net income.

Our expansion program is one of the largest in our history. We now have signed commitments for more than 65 new stores and leased departments, and many others are in negotiation. Present indications are that this rate of expansion will be accelerated as a result of the large number of major shopping centers being planned throughout the nation. As a part of our growth program, some existing store locations are being relocated or modernized.

We foresee encouraging opportunities for EBS in the years ahead, and we believe our stockholders will be interested in some of the factors which are stimulating the expansion of their Company.

The Trends in Our Society

We are in a period of the highest rate of new family formations in the history of this country, a period of high employment, increasing wages, more disposable income, greater leisure, and much greater spending power at all economic levels.

Retailers, by expanding to the suburbs with modern facilities conveniently reached, with free parking, extended night time hours, and other attractions to make shopping more of a recreational activity, have put their stores in the forefront for the consumer's dollar.

We feel that your Company will share favorably in the nation's enlarged consumer spending and continued population growth.

For the near term, rising costs with their pressure on profit margins present problems. We also are incurring added costs in developing staff and

Another EBS leased department for Auerbach's, Salt Lake City.



facilities to be ready for our expanded operations in the years ahead. However, we are endeavoring to meet these rising costs with sales growth. Because our merchandise is primarily in popular price ranges, we do not expect our sales or expansion to be affected in any sharp degree.

Store Location—Vital to Retailing Success

Throughout EBS history, prime location has been a priority consideration. Consistently, we have located our stores at the heart of retailing activity throughout America.

Today, we are substantially represented in nearly every major market in the continental U.S. and in Hawaii and Puerto Rico. By year end 1967, we expect to have stores in 45 states.

And we are in the *major* shopping center developments—those offering a broad selection of leading merchants, including the dominant department store or stores of the area. This is illustrated on pages 12 and 13 of this report, where new EBS stores and departments opened in 1966 are listed together with

the major tenants of each shopping center. The list includes the great names of U.S. department store retailing. Because of our sustained high consumer following, your Company is much sought after as a tenant for the best retail locations.

Our leased departments also are well-located in fine stores, and we are proud of the performance of this Division. In 1966, average sales volume in EBS departments exceeded \$409,000—the nation's highest and an increase of \$35,400 over our 1965 average.

During the year ahead, 12 new leased departments are scheduled to be added to the 35 now in operation. A highlight of this expansion occurred early in 1967 in Salt Lake City. For five years, Edison Brothers has operated the popular-priced ladies' shoe department in Auerbach's a famed fashion department store of that city. Now, at the invitation of the Auerbach Company, we also have assumed the operation of its higher-priced salon shoe department and its self-service basement shoe department. We are pleased to report that *every* department store which has opened an EBS leased department has invited us to add additional departments.



Today's Desire to be Fashionable

The desire of Americans to be fashionable has increased sharply in recent years. It now exists everywhere in our nation, at every economic level and at all age levels. Retailers of fashion products—like Edison Brothers—are benefiting steadily from the more sophisticated tastes of consumers.

In our industry, news about fashion shoes receives more prominence today than ever before. The dramatic acceptance of the “new look” in women's shoes, the young look, the blunt toe, the lower heel, and softer feel has helped shoe sales.

EBS shoes are designed “for the young . . . and those who want to stay young.” It is a concept which embraces the overwhelming majority of American women. The teen-age girl is no longer a girl in respect to her apparel. She is a “young adult.” And her mother retains a youthful appearance—and a fashion consciousness—years beyond the norm of a quarter century past.



Mother and daughter “look alike” show youth trend in fashion.



High Style, Exclusive Brands

Your Company benefits both from its high styles and its exclusive EBS brands.

Our close and mutually profitable association with the many fine companies who produce our merchandise—to our precise specifications—includes both large and small manufacturers, foreign and domestic. They produce our exclusive brands for both Edison stores and leased departments.

These exclusive brands, strongly supported by national and local advertising, have long-standing consumer loyalty and have achieved a significant share of the national market. As an example, our QualiCraft brand is the largest selling in America.

Work session at regional managers' annual conference.



The People of EBS—an Outstanding Asset

We are proud of our co-workers throughout our Company. Their contributions and dedication have been among the principal reasons for our successful and continued growth.

Worthy of notice is the steady development of our executives. Every one of our 543 store managers has come from our own sales force. Every one of our 33 regional managers has been an EBS store manager. All of our buyers were long schooled in our own stores.

We believe this escalating policy helps build loyalty for your Company. One of the results has been a very low turn-over in our managerial ranks. We also believe it assists significantly in our recruitment programs, attracting qualified young people to meet our expanding personnel needs.

As you may know from a special tribute included with the 1965 Annual Report, Harry Edison, one of the Company's founders and its chairman and treasurer, passed away early in 1966. No memorial can express the value of his dedicated service to EBS over so many years. We also deeply regret the death of Harry S. Argyries, a vice president of the Company and an outstanding executive.

Simon Edison, vice chairman and executive vice president, was elected chairman of the Board of Directors. Alfred T. Leimbach, vice president, was

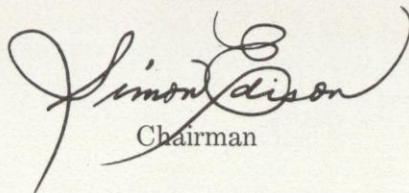
elected treasurer and Bernard Edison, vice president, was elected assistant treasurer. Eric P. Newman, vice president and secretary, was elected a director of the Company.

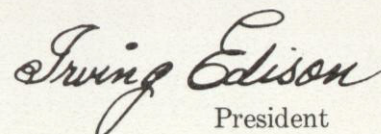
Bernard Bloom, director of architecture, and Howard W. Brown, a regional manager, were promoted from assistant vice president to vice president, and four regional managers were named assistant vice presidents—Al L. Gulinson, Roy J. Haydel, A. C. Landau, and John M. Murphy.

Your Board of Directors adopted a stock option plan on July 13, 1966 subject to stockholder approval at the 1967 annual meeting. This plan supplements a previous plan adopted in 1955. It provides for a maximum of 100,000 common shares to be issued at prevailing market prices at the time options are granted. Subject to stockholder approval of the plan, about 48,000 shares have been optioned to 487 executives and store managers. None of the Company's directors are included, and awards are generally limited to employees under 60 years of age. The options can be exercised within five years, but no purchases can be made until after one year from the date options are granted. Shares required under the plan may be either treasury stock or authorized but unissued stock.

Your directors and officers are deeply grateful for the continued support of all the people of EBS—employees, stockholders, and suppliers.

FOR THE BOARD OF DIRECTORS


Chairman


President

St. Louis, Missouri, March 3, 1967

Financial Review

SALES. The 1966 sales of \$174,997,000 increased by \$12,245,000 or 7.5% over the 1965 volume of \$162,752,000. Sales for the first half of the year showed an increase of 7.8%. For the last half, the increase was 7.3%. The amount of increase was \$5,929,000 for the first half and \$6,316,000 for the second half.

OPERATING INCOME. A record net income of \$7,498,000 from operations was achieved in 1966. This is an increase of \$952,000 or 14.5% as compared with the previous 1965 record net income of \$6,546,000.

Net earnings of \$3.56 per share of common stock compares with \$3.08 per share earned in 1965. As reported in the Mid-Year Report to stockholders, the first half net earnings were \$1.46 versus \$1.15 per share. For the last half of the year, net earnings were \$2.10 per share as against \$1.93 per share for the same 1965 period.

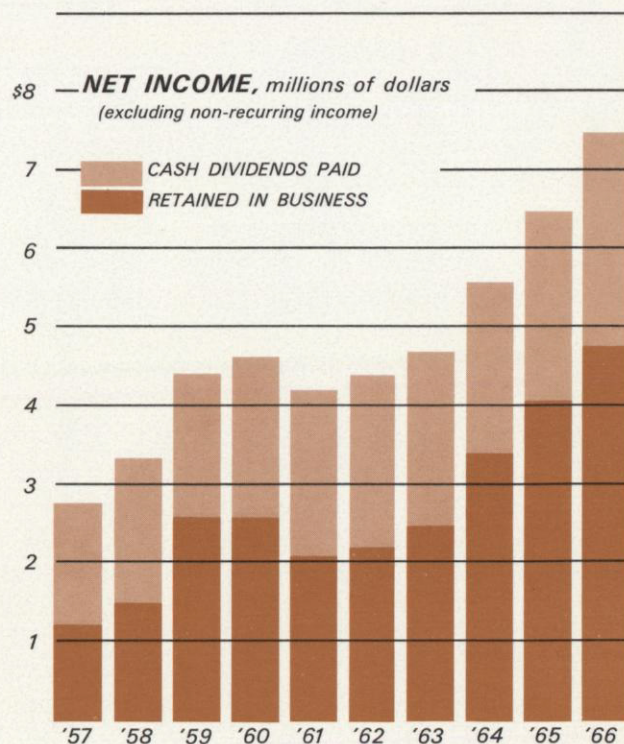
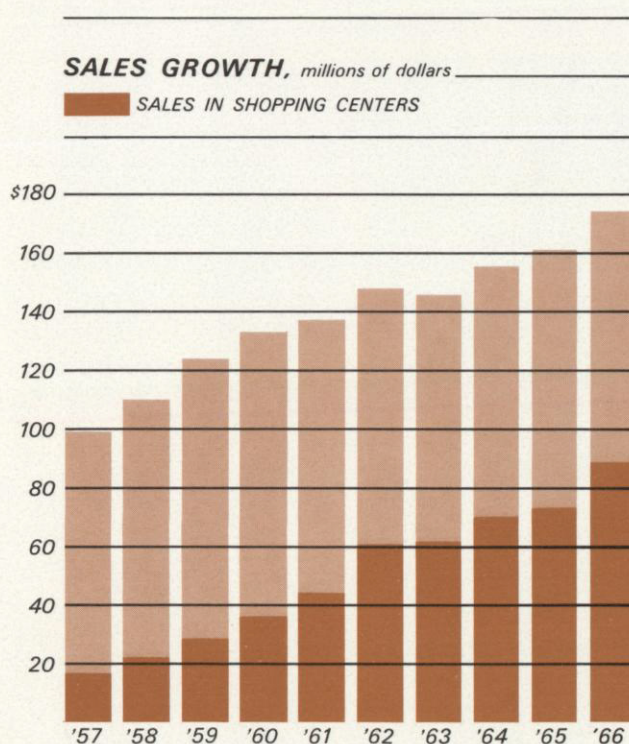
CASH DIVIDENDS. The quarterly dividend rate on common stock was increased to $32\frac{1}{2}\text{¢}$ from $27\frac{1}{2}\text{¢}$ effective with the second dividend paid in June 1966. Thus a total of \$1.25 per share was paid during 1966

as against \$1.10 for 1965. These dividends aggregated \$2,588,000 as compared with \$2,277,000 disbursed in 1965. Preferred stock dividends at the annual rate of $4\frac{1}{4}\%$ were paid quarterly in January, April, July and October.

CASH AND INVESTMENTS. The Financial Position Statement on page 8 includes cash and investment items totaling \$34,865,580. This includes U. S. Treasury tax anticipation securities applied against the liability for Federal income taxes. At December 31, 1965, these items aggregated \$35,321,000.

The higher interest yields on bank certificates of deposit and U. S. Treasury Bills during 1966 produced an interest income of \$1,142,000. This exceeded by \$123,000 the interest on long-term loans which amounted to \$1,019,000.

During the year, the Company purchased on the open market 7,685 shares of its outstanding preferred stock. The sinking fund requirements are 1,300 shares per year. The Company also purchased 11,000 shares of its outstanding common stock during the last half of the year.



MERCHANDISE INVENTORIES. Inventories of \$34,760,000 at December 31, 1966 included a greater amount of new merchandise needed for Spring and the earlier Easter this year. Along with the increased number of units in operation, this accounts for an increase of \$3,814,000 over total inventories of \$30,947,000 at the close of 1965.

WORKING CAPITAL. The net current assets (working capital) amounted to \$57,284,000 at the end of the year. This represents an increase of \$2,247,000 as compared with \$55,037,000 at December 31, 1965. The ratio of current assets over current liabilities of 6.1 to 1 was about the same as at the close of 1965.

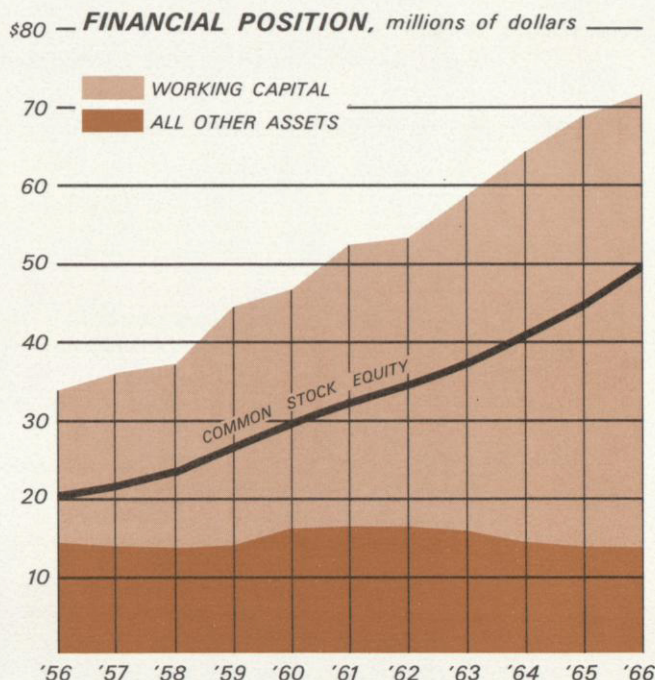
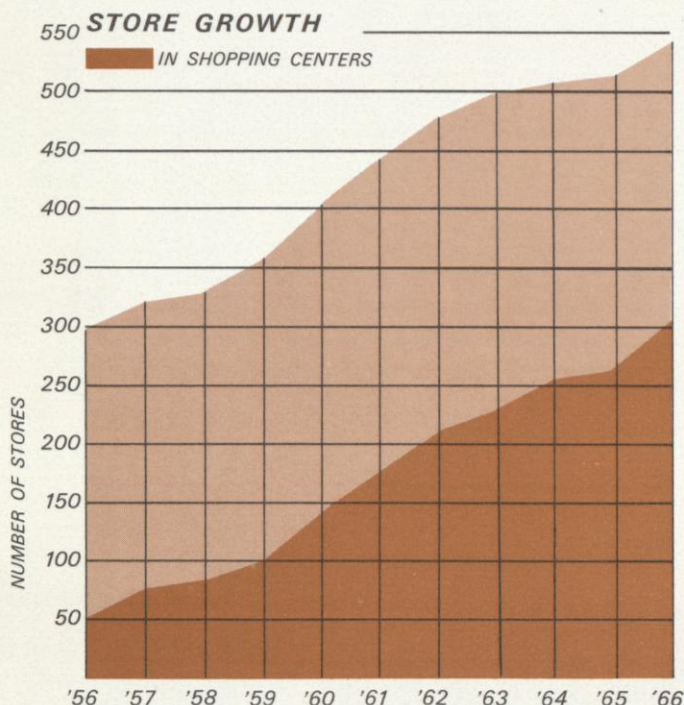
FIXED ASSETS. Expenditures for improvements, equipment and fixtures in connection with the 41 new units added during 1966 and for the betterment of existing stores amounted to \$2,933,000. This was off-set by depreciation and amortization charges which aggregated \$2,688,000. Due to the relatively lower building improvement expenditures required for shopping center stores and leased departments, these charges continue to level off.

EMPLOYES PENSION AND BENEFIT PLANS. The Company's pension plan was liberalized effective January 1, 1966 and a new benefit plan for employees was adopted effective January 1, 1967. Contributions into the two trust funds in 1966 amounted to \$554,000 as compared with \$440,000 in 1965. The pension plan is entirely funded by the Company and the trust has assets of \$7,620,000 at cost values. Employees contribute toward the cost of the benefit plan. This participation makes possible an unusually liberal package of group life, salary and medical benefits for employees and their dependents.

CASH FLOW

	In thousands	
	1966	1965
Net income, less dividends paid	\$4,759	\$4,101
Depreciation and amortization charges	2,688	2,715
Increase in inventories	3,814*	3,473*
Additions to fixed assets	2,933*	1,731*
Increase in receivables	429*	80*
Increase in total liabilities	69	1,051
Proceeds from exercise of stock options	119	62
Purchase of preferred treasury stock	670*	26*
Purchase of common treasury stock	333*	—
Other items—net	88	8*
Changes in cash and investments	<u>\$ 456*</u>	<u>\$2,611</u>

*Reductions



EDISON BROTHERS STORES, INC.

Consolidated Statement of Financial Position as at December 31, 1966 and 1965

	1966	1965
WORKING CAPITAL		
Current Assets:		
Cash	\$13,064,793	\$13,390,396
Bank certificates of deposit, short-term	15,574,171	19,508,334
U. S. Government securities, short-term—At cost	1,954,237	
Other marketable securities—At cost (quoted market value \$1,681,282)	1,817,814	1,431,987
Collections in transit from leased departments	703,796	713,801
Sundry receivables	573,553	134,898
Merchandise inventories—At the lower of cost or market—Note A	34,760,353	30,946,743
Total Current Assets	<u>68,448,717</u>	<u>66,126,159</u>
Current Liabilities:		
Current installments of long-term loans	1,470,000	915,658
Accounts payable and accrued expenses	6,667,464	6,250,871
Taxes collected or withheld	1,476,715	1,373,805
Estimated Federal income taxes, less U. S. Treasury tax anticipation securities of \$2,454,565 in 1966 and \$990,689 in 1965—Note B	1,550,435	2,549,311
Total Current Liabilities	<u>11,164,614</u>	<u>11,089,645</u>
Working Capital	57,284,103	55,036,514
OTHER ASSETS		
Miscellaneous Receivables and Investments	135,550	212,021
Fixed Assets—At cost less accumulated depreciation and amortization—Note C	13,190,489	12,944,859
Deferred Charges	512,975	484,484
Total Assets Less Current Liabilities	<u>\$71,123,117</u>	<u>\$68,677,878</u>

DERIVED FROM		
Long-Term Loans—Note D	\$18,450,000	\$19,920,000
Stockholders' Equity:		
4¼% Cumulative Preferred Stock, par value \$100— Authorized 65,000 shares; outstanding 31,742 shares—Note E	3,174,200	3,942,700
Common Stock, par value \$1— Authorized 2,400,000 shares; outstanding 2,065,594 shares—Note F	2,065,594	2,071,344
Capital in excess of par value	9,175,464	9,285,681
Retained earnings—Note G	37,586,966	32,827,476
Earnings reserved for limited uninsured risks	670,893	630,677
Common Stockholders' Equity	<u>49,498,917</u>	<u>44,815,178</u>
	<u>\$71,123,117</u>	<u>\$68,677,878</u>

The Notes to Financial Statements

AND SUBSIDIARY COMPANIES

Consolidated Statement of Income and Retained Earnings for the years ended December 31, 1966 and 1965

	1966	1965
Net Sales	\$174,997,474	\$162,752,248
Cost of goods sold, including occupancy and buying expenses	116,361,463	109,194,233
Store operating and administrative expenses	43,243,104	39,535,037
Depreciation and amortization of operating properties—Note C	2,559,850	2,582,359
Contributions to employee pension and insurance trusts	553,713	440,190
Interest on long-term loans	1,018,997	1,051,158
Interest income	(1,141,654)	(849,189)
Other deductions, net.	273,106	241,355
	<u>162,868,579</u>	<u>152,195,143</u>
Net income before Federal income taxes	12,128,895	10,557,105
Provision for Federal income taxes—Note B.	4,630,537	4,011,211
Net income	7,498,358	6,545,894
(Per share of common stock after provision for dividends on Preferred Stock—\$3.56 and \$3.08, respectively)		
Retained earnings at beginning of year	32,827,476	28,726,766
	<u>40,325,834</u>	<u>35,272,660</u>
Cash dividends:		
Preferred stock—\$4.25 per share	150,575	168,425
Common stock—\$1.25 and \$1.10 per share, respectively	2,588,293	2,276,759
	<u>2,738,868</u>	<u>2,445,184</u>
Retained earnings at end of year—Note G	<u>\$ 37,586,966</u>	<u>\$ 32,827,476</u>

STATEMENT OF CAPITAL IN EXCESS OF PAR VALUE

Balance at beginning of year	\$ 9,285,681	\$ 9,225,559
Excess of:		
Proceeds over par value of common stock issued under stock option plan	114,130	58,779
Par value over cost of preferred stock purchased	98,145	1,343
	<u>9,497,956</u>	<u>9,285,681</u>
Deduct: Excess of cost over par value of common stock purchased	322,492	
Balance at end of year	<u>\$ 9,175,464</u>	<u>\$ 9,285,681</u>

are an integral part of this statement.

Notes to Financial Statements as at December 31, 1966

The consolidated financial statements as at and for the year ended December 31, 1965 are included for comparative purposes only. Reference is made to the previously issued report for the notes applicable thereto.

A. Inventory valuations are at cost less allowances for seasonal merchandise to which lower anticipated realizable values apply.

B. The accompanying statements are subject to final determination of Federal income taxes.

C. Fixed assets are comprised of the following:

Land and buildings	\$ 901,226
Improvements to leased premises	12,999,537
Fixtures and equipment	12,117,992
Leasehold investments	291,735
	<u>26,310,490</u>
Less: Accumulated depreciation and amortization	13,120,001
	<u>\$13,190,489</u>

Fixed assets are generally depreciated on a straight-line basis over their estimated useful lives.

D. Long-Term loans consist of the following:

	Maturity	Installments due in 1967	Subsequent maturities
3¾% promissory notes	1967	\$1,120,000	
5⅛% promissory notes	1972	200,000	\$ 1,700,000
5¼% promissory note	1979	150,000 ⁽¹⁾	4,250,000
5⅜% promissory note	1982	⁽²⁾	4,000,000
4.9% promissory notes	1983	⁽³⁾	5,000,000
4.9% promissory notes	1984	⁽⁴⁾	3,500,000
		<u>\$1,470,000</u>	<u>\$18,450,000</u>

⁽¹⁾ Annual installments increase to \$350,000 in 1968.

⁽²⁾ Annual installments of \$250,000 commence in 1968.

⁽³⁾ Annual installments of \$312,500 commence in 1968.

⁽⁴⁾ Annual installments of \$100,000 commence in 1969 and increase to \$250,000 in 1973.

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- E. 4¼% Cumulative Preferred Stock is redeemable at \$104 plus accrued dividends upon call or voluntary liquidation and at \$100 plus accrued dividends upon involuntary liquidation.

The Company has fulfilled sinking fund requirements for the annual redemption and cancellation of 1,300 shares of preferred stock and holds 9,858 additional shares in the treasury which may be used to meet future requirements.

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- F. The Company has a Restricted Stock Option Plan, adopted in 1955, for the sale of common stock to certain executives and key employees at prices not less than 85% of the fair market value at the time options are granted. At December 31, 1966, there were options outstanding for 2,736 shares and 1,470 shares were available for the issuance of additional options. During the year options were exercised as to 5,250 shares and cancelled as to fractions aggregating 14 shares.

The Company holds 11,000 shares of Common Stock in the treasury.

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- G. The terms of instruments relating to long-term loans and the preferred stock include certain restrictions on the payment of dividends (other than stock dividends) and the acquisition of capital stock of the Company. Retained earnings of \$15,260,142 were free of such restrictions at December 31, 1966.

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- H. Operations of the companies are, for the most part, conducted in premises represented by approximately 615 leases of which 51% expire in 10 years and a majority of the balance within 15 years. Leases expiring after 1969 provide for minimum net annual rentals aggregating approximately \$9,100,000 and, generally, for percentage rentals and other items as additional rent. Actual net rentals for such leases in 1966 aggregated approximately \$11,100,000.
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Accountants' Report

The Board of Directors
Edison Brothers Stores, Inc.
St. Louis, Missouri

We have examined the consolidated statement of financial position of Edison Brothers Stores, Inc. and subsidiary companies as at December 31, 1966, and the related consolidated statements of income and retained earnings and capital in excess of par value for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated statements of financial position, income and retained earnings and capital in excess of par value, together with the notes to financial statements, present fairly the consolidated financial position of Edison Brothers Stores, Inc. and subsidiary companies at December 31, 1966, and the consolidated results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

S. D. LEIDESDORF & CO.

St. Louis, Missouri,
February 27, 1967

Opened in 1966

City	Location	Store	Major Tenants
Albany, N.Y.	Colonie S/C	Baker's	Macy's, Sears, Solomon's
Albany, N.Y.	Colonie S/C	Dept.-Solomon's	Macy's, Sears, Solomon's
Alexandria, Va.	Landmark S/C	Baker's	Woodward & Lothrop, Sears, Hecht (May Co.)
Boston, Mass.	460 Boylston St.	Baker's	Downtown
Calumet City, Ill.	River Oaks S/C	Baker's	Marshall Field, Sears
Calumet City, Ill.	River Oaks S/C	Chandler's	Marshall Field, Sears
Chicago, Ill.	Dixie Square	Burt's	Penney's, Montgomery Ward
Cincinnati, Ohio	Kenwood Mall	Baker's	Shillito's (Federated)
Cincinnati, Ohio	Western Woods S/C	Baker's	Shillito's (Federated)
Cleveland, Ohio	Richmond Mall	Cole's	Penney's, Sears
Dayton, Ohio	Salem Mall	Baker's	Rike's (Federated), Sears
Denver, Colo.	Bear Valley S/C	Baker's	May Company
Denver, Colo.	Glendale	Dept.-Target	Target (Dayton Co.)
Denver, Colo.	Westland	Dept.-Target	Target (Dayton Co.)
Elyria, Ohio	Midway Mall	Baker's	Higbee, Penney's, Sears
Fremont, Calif.	Fremont Hub	Leed's	Montgomery Ward, Mervyn's
Honolulu, Hawaii	Ala Moana S/C	Joan Bari	Liberty House, Penney's, Sears
Houston, Tex.	Memorial City S/C	Baker's	Sears
*Kansas City, Mo.	1109 Main St.	Baker's	Downtown
Los Angeles, Calif.	553 S. Broadway	Burt's	Downtown
*Los Angeles, Calif.	635 S. Broadway	Leed's	Downtown
Los Angeles, Calif.	Fashion Square	Chandler's	Bullock's, Desmonds, I. Magnin
Los Angeles, Calif.	Stonewood S/C	Leed's	Broadway, Penney's

Ten Year Statistical Summary

	1966	1965	1964
Units (end of each year)	543	515	508
Net sales	\$174,997,474	\$162,752,248	\$155,572,205
Taxes paid and accrued	7,373,798	6,274,767	5,966,517
Net earnings	7,498,358	6,545,894	5,562,978
Preferred dividends paid	150,575	168,425	172,133
Common stock dividends paid	2,588,293	2,276,759	2,063,279
Working capital	57,284,103	55,036,514	49,840,386
Long term loans	18,450,000	19,920,000	19,622,000
Common stock equity	49,498,917	44,815,178	40,616,446
Common shares outstanding	2,065,594	2,071,344	2,068,002
Total taxes per common share	\$ 3.57	\$ 3.03	\$ 2.89
Net earnings per common share	3.56	3.08	2.61
Dividends per common share	1.25	1.10	1.00
Common stock equity, per share	23.96	21.64	19.64

The number of common shares outstanding and the per share amounts have been adjusted to reflect the stock split of 2-for-1 in December 1964 and for the stock dividends of 5%, 5%, and 3% declared in the years 1959, 1960 and 1961 respectively.

City	Location	Store	Major Tenants
Memphis, Tenn.	Southland S/C	Baker's	Goldsmith (Federated), Sears
Miami Beach, Fla.	Bal Harbour Shops	Chandler's	Abercrombie & Fitch
Milwaukee, Wisc.	Mayfair S/C	Joan Bari	Gimbels, Marshall Field
Mountain View, Calif.	Mayfield Mall	Leed's	Jos. Magnin, Penney's
Natick, Mass.	Natick Mall	Baker's	Filene's, Sears
*Oakland, Calif.	1205 Washington	Leed's	Downtown
Olympia, Wash.	South Sound S/C	Leed's	People's, Sears
Omaha, Neb.	Southroads S/C	Baker's	Brandeis, Penney's
Omaha, Neb.	Southroads S/C	Dept.-Brandeis	Brandeis, Penney's
Philadelphia, Pa.	Plymouth Mall	Baker's	Strawbridge & Clothier, Lit's
Willingboro, N.J.	Willingboro Plaza	Baker's	Pomeroy's (Allied), Sears
St. Louis, Mo.	Northwest Plaza	Baker's	Famous-Barr (May Co.), Penney's, Sears, Vandervoorts
St. Louis, Mo.	Northwest Plaza	Burt's	Famous-Barr (May Co.), Penney's, Sears, Vandervoorts
St. Louis, Mo.	Northwest Plaza	Chandler's	Famous-Barr (May Co.), Penney's, Sears, Vandervoorts
St. Louis, Mo.	Northwest Plaza	Joan Bari	Famous-Barr (May Co.), Penney's, Sears, Vandervoorts
*Salem, Ore.	Salem Plaza	Leed's	Downtown
San Bernardino, Calif.	Inland Center	Leed's	Broadway, May Co., Sears
Santa Ana, Calif.	Fashion Square	Leed's	Bullock's, I. Magnin
Santa Rosa, Calif.	Coddington S/C	Leed's	Emporium, Penney's
Stockton, Calif.	Weberstown S/C	Leed's	Sears, Weinstock-Lubin
Syracuse, N.Y.	Fairmount Fair	Baker's	Dey Bros. (Allied), Sears
Visalia, Calif.	Visalia Fair	Leed's	Gottschalk's, Penney's

*Relocation of existing store.

1963	1962	1961	1960	1959	1958	1957
497	479	440	404	357	334	332
\$145,328,539	\$147,484,944	\$137,224,384	\$133,238,578	\$124,087,292	\$109,119,591	\$99,301,660
5,513,034	5,487,341	5,259,688	5,604,956	5,105,407	4,176,429	3,550,141
4,655,425	4,411,187	4,169,335*	4,623,357*	4,359,147*	3,256,884*	2,816,941
175,555	185,224	196,114	198,707	205,315	214,177	218,883
2,050,410	2,037,762	1,965,001	1,858,652	1,582,235	1,571,576	1,393,434
42,578,679	36,686,558	35,568,518	30,668,643	30,230,343	23,653,199	22,106,747
16,824,000	14,476,000	15,218,000	11,810,000	12,402,000	7,994,000	8,426,000
37,086,346	34,514,247	32,155,671	29,819,619	26,928,642	23,722,818	21,749,211
2,057,320	2,043,446	2,031,110	2,015,478	2,004,944	1,987,456	1,979,042
\$ 2.68	\$ 2.69	\$ 2.59	\$ 2.78	\$ 2.55	\$ 2.10	\$ 1.79
2.18	2.07	1.96*	2.19*	2.07*	1.53*	1.31
1.00	1.00	.97	.92	.79	.79	.70
18.03	16.89	15.83	14.80	13.43	11.94	10.99

*Excludes nonrecurring income: 1961 \$157,408 (8¢), 1960 \$206,980 (10¢), 1959 \$427,282 (21¢), 1958 \$371,244. (19¢).

Directors of Edison Brothers Stores



ROY W. OSCARSON
Executive Vice President



IRVING EDISON
President and Chief Executive Officer



SIMON EDISON
Chairman and Executive Vice President



IRVING HALLE
Executive Vice President



CHARLES B. EDISON
Vice President



BERNARD EDISON
Vice President
Assistant Treasurer



ALFRED T. LEIMBACH
Vice President and Treasurer



ERIC P. NEWMAN
Vice President and Secretary



L. JACK WESTBROOK
Vice President



JOSEPH M. ARENSEN
Vice President



MORRIS NATELSON
Partner, Lehman Brothers



SAMUEL B. EDISON
Executive Vice President



JULIAN I. EDISON
Vice President



SAMUEL L. DEMOFF
Vice President



GEORGE FRANKENTHALER
Frankenthaler & Kohn, General Counsel

Additional Officers of the Corporation

DAVID ALTON, Vice President
Director, Warehousing

HARRY ARGYRIES, Vice President
Buyer, QualiCraft Shoes
(deceased)

BERNARD BLOOM, AIA, Vice President
Director, Architecture

HOWARD BROWN, Vice President
Regional Manager, Salt Lake City

THEODORE L. CASEY, Vice President
Controller, Store Operating Costs

WALLACE R. CLARK, Vice President
Merchandise Controller

BEN ELLIS, Vice President
Buyer, Casual Shoes

JOSEPH FINGERHUT, Vice President
Buyer, Handbags

JACK HAIMES, Vice President
Buyer, Stylepride Shoes

E. L. JEFFRIES, Vice President
Sales Manager, Eastern Division

KEITH KEPLEY, Vice President
Real Estate

BERNARD L. LEBOWITZ, Vice President
Buyer, Sports and Children's Shoes

SIDNEY A. LEVINSON, Vice President
Merchandise Controller

LOUIS LIEBSON, Exec. Vice President
Buyer, French Room Shoes

B. T. OGLESBY, Vice President
Regional Manager, St. Louis

MORRIS PEARLMUTTER, Vice President
Advertising & Public Relations

MORGAN I. PITCHER, Vice President
Comptroller

WILLIAM E. POLLEY, Vice President
Sales Manager, Southern Division

FRANK P. RICCA, Vice President
Regional Manager, New Orleans

NORMAN ROSENTHAL, Vice President
Buyer, QualiCraft Shoes

FRANCIS WETTA, Vice President
Sales Manager, West Coast Division

HENRY WINER, Vice President
Buyer, Handbags and Costume Jewelry

BEN BORUS, Asst. Vice Pres.
Purchasing Department

MARVIN EDELMAN, Asst. Vice Pres.
Merchandise Controller

ARTHUR J. ELIAS, Asst. Vice Pres.
Regional Manager, Detroit

HARRY GALKIN, Asst. Vice Pres.
Tax Department

DALE D. GILGER, Asst. Vice Pres.
Buyer, Leased Shoe Dept. Div.

AL L. GULINSON Asst. Vice Pres.
Regional Manager, Minneapolis

ROBERT J. HARPER, Asst. Vice Pres.
Regional Manager, Miami

ROY J. HAYDEL Asst. Vice Pres.
Regional Manager, Chicago

A. C. LANDAU Asst. Vice Pres.
Regional Manager, Los Angeles

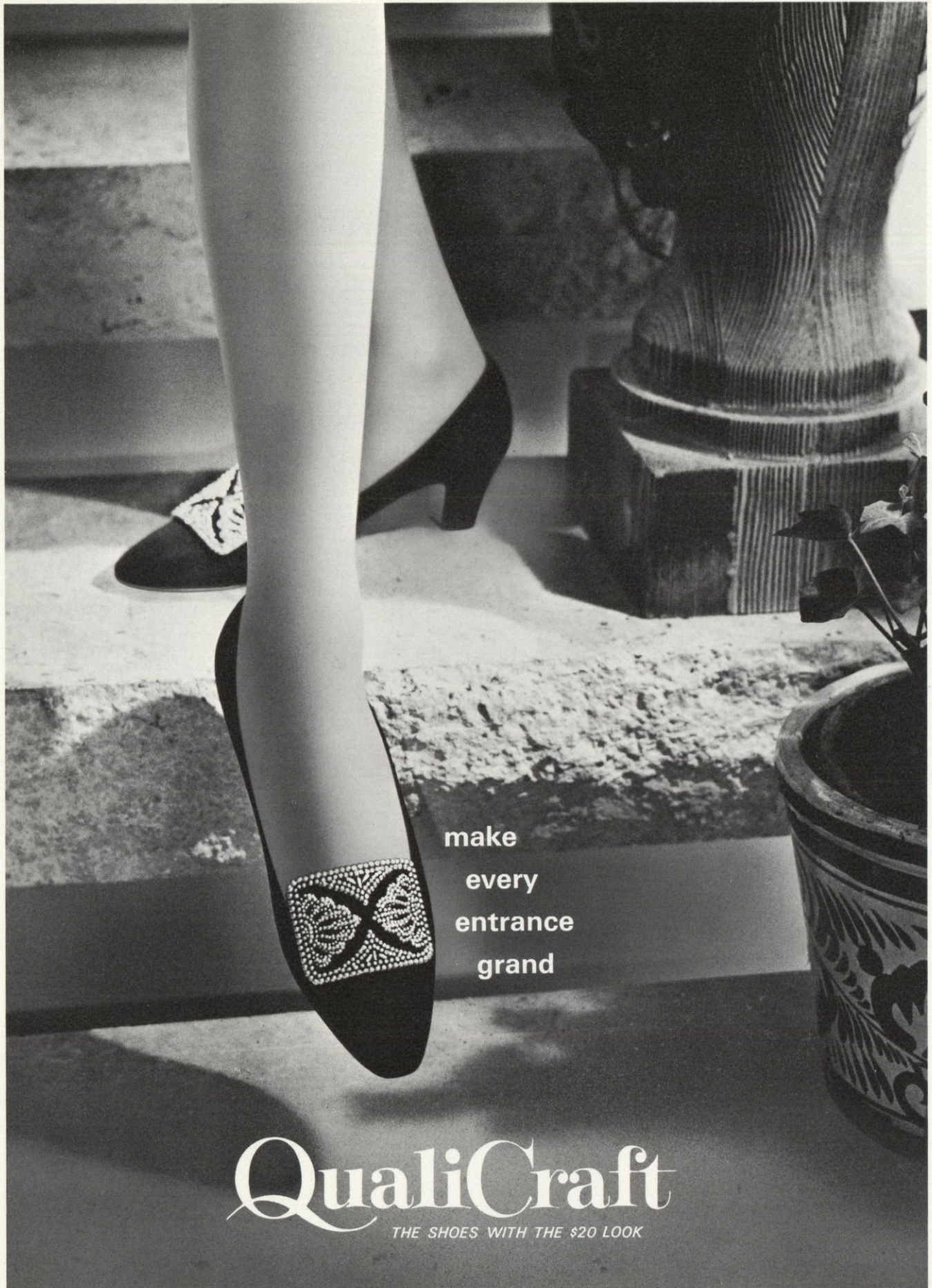
WILLIAM R. LANGSTON, Asst. Vice Pres.
Regional Manager, Washington, D. C.

JOSEPH J. METZLER, Asst. Vice Pres.
Assistant Comptroller

JOHN M. MURPHY Asst. Vice Pres.
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